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Counsel for The Original Mowbray's Tree Service,
Inc., Debtor and Debtor-In-Possession

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re

THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC., a Delaware corporation

Debtor and
Debtor-in-Possession.

Case No. 8:24-bk-12674-TA

Chapter 11

**DEBTOR'S SUPPLEMENT TO THE
EMERGENCY MOTION FOR ENTRY
OF INTERIM AND FINAL ORDERS
AUTHORIZING USE OF CASH
COLLATERAL**

Hearing (via Zoom for Government):

Date: January 14, 2025

Time: 10:00 a.m.

Place: Courtroom 5B
411 West Fourth Street
Santa Ana, CA 92701

**TO THE HONORABLE THEODOR C. ALBERT, UNITED STATES BANKRUPTCY
JUDGE:**

The Original Mowbray's Tree Service, Inc., the debtor and debtor-in-possession in the
above-captioned case (the "**Debtor**"), hereby files this supplement to its *Emergency Motion
for Entry of Interim and Final Orders Authorizing Use of Cash Collateral* (the "**Motion**").¹

¹ Capitalized terms not expressly defined herein shall have the meanings ascribed to them in the Motion.

On October 18, 2024, the Debtor filed the Motion, requesting authorization to use cash collateral on an emergency basis. (See Docket No. 5.) The Motion was supported by the Sainos Declaration and the Weiss Declaration. The Motion was not opposed. On October 24, 2024, the Court entered the *Order Granting, on an Interim Basis, Debtor's Emergency Motion for Entry of Interim and Final Orders Authorizing Use of Cash Collateral* [Docket No. 72] (the "**Order**"). By the Order, the Court authorized the interim use of cash collateral through and including November 19, 2024, pursuant to the budget attached to the Motion as **Exhibit 1** (the "**Current Budget**"), and the Court set a continued hearing on the use of cash collateral on a final basis on that same date. (See Docket No. 72.)

The Debtor and PNC Bank ("**PNC**") entered into three stipulations to continue the hearing on the Motion pending their negotiations concerning consensual terms for final use of cash collateral. On January 7, 2025, the Court entered an order approving the most recent of those three stipulations, continuing the hearing on the Motion from January 8, 2025, to January 14, 2025. The Current Budget ends on January 17, 2025.

The discussions between PNC and the Debtor are ongoing. The Debtor will file any stipulation reached with PNC as soon as possible. In the meantime, attached hereto as **Exhibit 1** (the "**New Budget**") is the Debtor's next 13-week cash collateral budget (for the week ending January 24, 2025, through the week ending April 18, 2025). Absent a stipulation between the Debtor and PNC, the Debtor requests that the Court order the continued use of cash collateral pursuant to the New Budget on the same terms as set forth in the Order on an interim basis pending a final hearing to be set by the Court and, thereafter, on a final basis.

DATED: January 9, 2025

RAINES FELDMAN LITRELL, LLP

By: /s/ Robert S. Marticello
ROBERT S. MARTICELLO
Counsel for the Debtor and Debtor-In-
Possession

EXHIBIT "1"

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 1/24/2025	Week 2 Ended 1/31/2025	Week 3 Ended 2/7/2025	Week 4 Ended 2/14/2025	Week 5 Ended 2/21/2025	Week 6 Ended 2/28/2025	Week 7 Ended 3/7/2025	Week 8 Ended 3/14/2025	Week 9 Ended 3/21/2025	Week 10 Ended 3/28/2025	Week 11 Ended 4/4/2025	Week 12 Ended 4/11/2025	Week 13 Ended 4/18/2025	13 Week Total
Operating Receipts														
Collections	337,253	322,254	267,254	237,255	235,005	214,006	214,006	214,007	214,007	214,008	214,008	214,009	214,009	3,111,081
Pino/Phoenix Mgmt. Fees, Interest Income, Leases	155,560	155,560	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	2,436,870
Pino Line of Credit	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	780,000
Total Receipts	552,813	537,814	520,504	490,505	488,255	467,256	467,256	467,257	467,257	467,258	467,258	467,259	467,259	6,327,951
Operating Disbursements														
Salaries & Wages	168,881	169,074	169,118	169,259	169,152	169,387	169,648	169,751	169,881	169,212	169,459	169,389	169,380	2,201,592
Health Insurance	-	84,955	-	-	-	84,955	-	-	-	84,955	-	-	-	254,865
Worker's Comp	-	-	-	110,760	-	-	-	81,120	-	-	-	71,760	-	263,640
Union Dues	-	-	-	94,000	-	-	-	35,000	-	-	-	35,000	-	164,000
Occupancy	-	17,244	-	-	-	10,248	-	-	-	10,252	-	-	-	37,744
Insurance	1,077,233	96,698	267,250	-	-	96,698	267,250	-	-	96,698	267,250	-	-	2,169,078
Utilities	4,104	3,530	5,699	10,895	5,126	3,940	5,089	10,044	4,238	4,461	5,471	10,242	4,270	77,108
Repair and Maintenance	8,573	8,699	9,320	9,986	10,090	8,813	9,116	9,768	10,200	10,381	8,489	9,083	9,178	121,695
Office Supplies	5,545	5,615	5,979	5,784	5,783	5,799	6,060	5,668	5,690	5,666	5,887	5,693	5,690	74,860
Vehicles Expenses	50,036	50,289	43,545	42,602	42,946	42,792	43,066	37,012	37,041	37,343	37,556	37,692	37,717	539,637
OC Professionals	13,986	9,293	9,623	9,880	10,255	10,265	10,670	11,074	11,391	11,457	9,966	10,064	10,153	138,078
Tools and Supplies	49,381	50,125	45,438	45,621	44,655	44,831	44,593	44,764	44,788	44,827	45,006	45,195	45,163	594,389
Property Taxes - Real	-	-	-	-	-	-	-	-	-	39,000	-	-	-	39,000
Bank Expenses	-	-	4,000	-	-	-	4,000	-	-	-	4,000	-	-	12,000
Other	7,275	7,244	7,199	7,146	7,012	6,950	6,943	6,957	6,906	6,927	6,978	7,108	7,089	91,734
Total Operating Disbursements	1,385,014	502,767	567,172	505,933	295,019	484,679	566,434	411,159	290,135	521,180	560,062	401,226	288,639	6,779,420
Operating Cash Flow	(832,201)	35,047	(46,668)	(15,428)	193,236	(17,423)	(99,178)	56,098	177,122	(53,922)	(92,804)	66,033	178,620	(451,469)
Cumulative Operating Cash Flow	(832,201)	(797,154)	(843,822)	(859,251)	(666,015)	(683,438)	(782,616)	(726,518)	(549,396)	(603,318)	(696,122)	(630,089)	(451,469)	(451,469)
Financing														
PNC Adequate Protection	-	-	100,000	-	-	-	100,000	-	-	-	100,000	-	-	300,000
Equipment Loans	452,654	26,599	107,648	53,232	60,468	15,104	124,484	53,185	25,444	14,522	116,373	26,414	53,523	1,129,650
Equipment Rentals	-	-	84,059	-	-	-	84,059	-	-	-	84,059	-	-	252,176
Total Financing	452,654	26,599	291,706	53,232	60,468	15,104	308,543	53,185	25,444	14,522	300,431	26,414	53,523	1,681,826
Cash Flow After Financing	(1,284,855)	8,448	(338,375)	(68,661)	132,768	(32,527)	(407,721)	2,914	151,678	(68,444)	(393,235)	39,619	125,097	(2,133,295)
Cumulative Cash Flow After Financing	(1,284,855)	(1,276,407)	(1,614,782)	(1,683,442)	(1,550,674)	(1,583,201)	(1,990,922)	(1,988,008)	(1,836,331)	(1,904,775)	(2,298,010)	(2,258,392)	(2,133,295)	(2,133,295)
Restructuring Disbursements														
Force Ten Partners (CRO)	120,000	-	60,000	-	-	-	60,000	-	-	-	60,000	-	-	300,000
Raines Feldman (Debtor's Counsel)	150,000	-	75,000	-	-	-	75,000	-	-	-	75,000	-	-	375,000
Grobstein Teeple	20,000	-	10,000	-	-	-	10,000	-	-	-	10,000	-	-	50,000
United States Trustee	48,261	-	-	-	-	-	-	-	-	-	-	-	76,469	124,730
Total Restructuring Disbursements	338,261	-	145,000	-	-	-	145,000	-	-	-	145,000	-	76,469	849,730
Beginning Cash Balance	12,204,559	10,581,443	10,589,891	10,106,516	10,037,856	10,170,624	10,138,097	9,585,376	9,588,290	9,739,967	9,671,523	9,133,288	9,172,906	12,204,559
Net Change in Cash	(1,623,117)	8,448	(483,375)	(68,661)	132,768	(32,527)	(552,721)	2,914	151,678	(68,444)	(538,235)	39,619	48,628	(2,983,025)
Ending Cash Balance	10,581,443	10,589,891	10,106,516	10,037,856	10,170,624	10,138,097	9,585,376	9,588,290	9,739,967	9,671,523	9,133,288	9,172,906	9,221,535	9,221,535

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 1/24/2025	Week 2 Ended 1/31/2025	Week 3 Ended 2/7/2025	Week 4 Ended 2/14/2025	Week 5 Ended 2/21/2025	Week 6 Ended 2/28/2025	Week 7 Ended 3/7/2025	Week 8 Ended 3/14/2025	Week 9 Ended 3/21/2025	Week 10 Ended 3/28/2025	Week 11 Ended 4/4/2025	Week 12 Ended 4/11/2025	Week 13 Ended 4/18/2025	13 Week Total
PNC Debt														
Beginning	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464
(+) Interest Principal	-	-	100,000	-	-	-	100,000	-	-	-	100,000	-	-	300,000
(-) Payments	-	-	(100,000)	-	-	-	(100,000)	-	-	-	(100,000)	-	-	(300,000)
Ending Balance	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464
Accounts Receivable Roll Forward														
Accounts Receivable - Beginning Balance	2,836,996	2,719,746	2,617,496	2,570,246	2,552,996	2,537,996	2,543,996	2,549,996	2,555,996	2,561,996	2,567,996	2,573,996	2,579,996	2,836,996
(+) Sales	374,563	374,564	412,004	412,005	412,005	412,006	412,006	412,007	412,007	412,008	412,008	412,009	412,009	5,281,201
(-) Collections	(491,813)	(476,814)	(459,254)	(429,255)	(427,005)	(406,006)	(406,006)	(406,007)	(406,007)	(406,008)	(406,008)	(406,009)	(406,009)	(5,532,201)
Accounts Receivable - Ending Balance	2,719,746	2,617,496	2,570,246	2,552,996	2,537,996	2,543,996	2,549,996	2,555,996	2,561,996	2,567,996	2,573,996	2,579,996	2,585,996	2,585,996

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

3200 Park Center Drive, Suite 250, Costa Mesa, CA 92626.

A true and correct copy of the foregoing document entitled (*specify*): **DEBTOR'S SUPPLEMENT TO THE EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING USE OF CASH COLLATERAL** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **1/9/2025**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **1/9/2025**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **1/9/2025**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

1/9/2025

Date

Ja'Nita Fisher

Printed Name

/s/ Ja'Nita Fisher

Signature

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

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